

MESSAGE
OF THE
PRESIDENT OF THE UNITED STATES,

RETURNING

The bill (S. 193) "to repeal that part of an act of Congress that prohibits the circulation of bank notes of a less denomination than five dollars in the District of Columbia," with his objections thereto.

JUNE 24, 1862.—Read, ordered to lie on the table, and be printed.

To the Senate of the United States :

The bill which has passed the House of Representatives and the Senate, entitled "An act to repeal that part of an act of Congress which prohibits the circulation of bank notes of a less denomination than five dollars in the District of Columbia," has received my attentive consideration; and I now return it to the Senate, in which it originated, with the following objections :

1. The bill proposes to repeal the existing legislation, prohibiting the circulation of bank notes of a less denomination than five dollars within the District of Columbia, without permitting the issuing of such bills by banks not now legally authorized to issue them. In my judgment, it will be found impracticable, in the present condition of the currency, to make such a discrimination. The banks have generally suspended specie payments; and a legal sanction given to the circulation of the irredeemable notes of one class of them will almost certainly be so extended, in practical operation, as to include those of all classes, whether authorized or unauthorized. If this view be correct, the currency of the District, should this act become a law, will certainly and greatly deteriorate, to the serious injury of honest trade and honest labor.

2. This bill seems to contemplate no end which cannot be otherwise more certainly and beneficially attained. During the existing war it is peculiarly the duty of the national government to secure to the people a sound circulating medium. This duty has been, under existing circumstances, satisfactorily performed, in part at least, by authorizing the issue of United States notes, receivable for all government dues except customs, and made a legal tender for all debts, public and private, except interest on public debt. The object of the bill submitted to me, namely, that of providing a small note currency during the present suspension, can be fully accomplished by authorizing the issue, as part of any new emission of United States notes made necessary by the circumstances of the country, of notes of a similar character, but of less denomination than five dollars. Such an issue would answer all the beneficial purposes of the bill; would save a considerable amount to the treasury in interest; would greatly facilitate payments, to soldiers and other creditors, of small sums; and would furnish to the people a currency as safe as their own government.

2 CIRCULATION OF BANK NOTES IN DISTRICT OF COLUMBIA.

Entertaining these objections to the bill, I feel myself constrained to withhold from it my approval, and return it for the further consideration and action of Congress.

ABRAHAM LINCOLN.

JUNE 23, 1862.

Thirty-seventh Congress of the United States of America, at the second session, begun and held at the city of Washington on Monday, the second day of December, one thousand eight hundred and sixty-one.

AN ACT to repeal that part of an act of Congress that prohibits the circulation of bank notes of a less denomination than five dollars in the District of Columbia.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second and sixth sections of an act entitled "An act to suppress the circulation of small notes as a currency in the District of Columbia," approved December 27, 1854, be, and the same are hereby repealed: Provided, That the circulation or passing of bills of a less amount than one dollar, or bills of any denomination containing the fractional part of a dollar, shall still remain prohibited: And provided, further, That this law shall not authorize the issuing of any bills by any bank not otherwise legally authorized to issue them.

GALUSHA A. GROW,

Speaker of the House of Representatives.

H. HAMLIN,

Vice-President of the United States and President of the Senate.